The China Weekly

REVIEW

密勒氏評論報

A Weekly Newspaper Establish in 1917

America's "24-Hour Watching Policy" Developments on U.S.-China "Front"

ARTICLES IN THIS ISSUE

A Tale of Two Dairies—Poplar Grove and "Columbia"

Decisive Battle in the Nankow-Kalgan Sector

Outstanding Events in the Sino-Japanese War at Shanghai

Hirota Says Japan Must Take Resolute Action and Compel China to Mend Her Ways

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China Will Recover Her Lost Territories . . . By C. Y. W. Meng

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SATURDAY, SEPTEMBER 11, 1937 VOLUME 82, NUMBER 2

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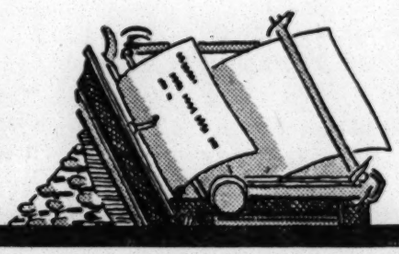

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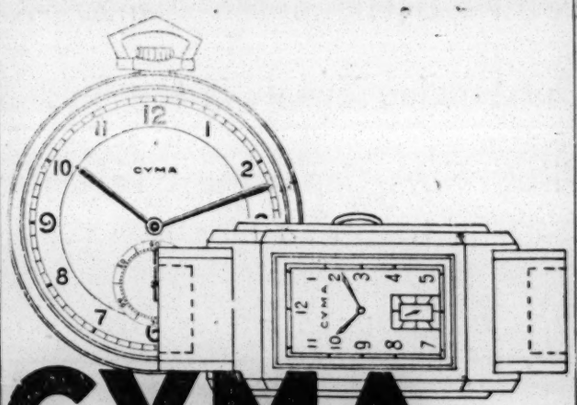

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The China Weekly REVIEW

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COMMUNICATIONS PERTAINING TO SUBSCRIPTIONS OR ADVERTISING IN CHINA OR ABROAD SHOULD BE ADDRESSED TO THE CHINA WEEKLY REVIEW AT 160 AVENUE EDWARD VII, SHANGHAI, CHINA, TELEPHONE 14741. CABLE ADDRESS "REVIEWING SHANGHAI."

AMERICA'S "24-HOUR WATCHING POLICY"—LATEST DEVELOPMENTS ON THE U.S.—CHINA "FRONT"

OF all of the reports from Washington which have been cabled to newspapers here since the beginning of the Sino-Japanese complications, the most significent was a ten-line *Reuter* report dated September 6 which quoted President Roosevelt as stating that American policy with respect to developments in the Far East was being formulated on a "24-hour watching basis." Many harassed Americans in this part of the world, reading the *Reuter* quotation felt like remarking, "I thought so!," but what the President apparently had in mind was the application of the Neutrality Act now generally held responsible for the vagaries of American activities in connection with the present complications. President Roosevelt was quoted in the same report as stating there are still 7,780 Americans in China "who are there at their own risk," as most of them allegedly had refused to accept Secretary Hull's advice to evacuate "at their own expense." This inspired an editorial in the *Shanghai Evening Post* (American) which said that depite everything Mr. Hull had remarked on the subject, "it does not alter the fact that we live in Shanghai and Mr. Hull does not."

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We have no intention of attempting another labored analysis of American "New Deal" policy based on the Neutrality Law, but viewed from this distance the situation appears to be that Congress, in an attempt to keep America peaceful in a war-torn world enacted a neutrality pact, which, if enforced would put the United States practically into alliance with Japan. But this hasn't worried the senators and representatives who were responsible for the peace legislation. They and their backers in the various peace organizations have been pressing the President to invoke the Neutrality Law. The result has been that President Roosevelt apparently has been compelled to spend more time and energy fighting off the advocates of immediate enforcement of the

Neutrality Law than in the actual development of a definite and positive U.S. policy designed to cope with actual developments in the Far East. The most pointed reference to American policy from a non-American was that of T. V. Soong, former Finance Minister who said that the recent threat of American labor bodies to organize an economic embargo against Japan, "proved once more that on fundamental questions, the instincts of the common man are surer than the labored deliberations of international experts." Continuing, Mr. Soong said that a victorious Japan in control of a prostrate China with untold resources would constitute a deadly menace to every peace-loving country. Ninety-nine percent of the Americans in this part of the world would approve that statement but Washington officialdom is not, generally speaking, concerned with what may happen in the future; they are interested in what may happen in the next twenty-four hours.

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In the meantime American policy, according to Secretary of State, Cordell Hull's latest official pronouncement (August 5), a reiteration of his original declaration of July 16, which had received the formal approval of more than 50 nations, was that war or threat of war between nations that are near neighbors concerns not only those nations but the whole world. He said that the United States advocates national and international self-restraint; abstinence of all nations from use of force and from interference in the internal affairs of other nations; faithful observance of international agreements; modification of treaties when need arises, by orderly process; respect by all nations for the rights of others; lowering or removing of trade barriers; equality of commercial opportunity; limitation and reduction of armament, although the United States is prepared to increase its armed forces in proportion to increases made by other countries.

That President Roosevelt may be compelled shortly to invoke the Neutrality Law appears inevitable in view of late reports indicating that he is being subjected to a veritable barrage by six so-called peace organizations to enforce the New Deal legislation. In a letter sent to the President on September 5 the peace advocates declared that the United States could not afford to permit such a conflict as is going on in the Far East without labeling it a war. The application of the Act, in the opinion of the pacifists, "would clarify a world situation in this respect by labeling by their right name armed attacks by one nation on another." On the previous day the same peace bodies sent a united appeal to the President urging the United State to take the lead in abondoning exterritorial rights in China, in which connection they projected a "constructive policy designed to protect China and promote peace in the Far East." Their four-point proposal included, (1) abandonment of all demands encroaching on Chinese sovereignty; (2) abandonment of a claim for a special International Settlement and exterritorial rights; (3) repeal of the United States Exclusion Act, and (4) an arrangement to aid the Chinese Government to finance economic recovery after the war.

***

With reference to the demand for abolition of exterritorially there was a curious development last week when Judge Milton J. Helmick received a cable from Homer Cummings, Attorney General, suggesting that Judge Helmick and, presumably, other court officials should withdraw from Shanghai and stating that the Department of Justice was disinclined to appoint substitute officials. Judge Helmick immediately telegraphed the Attorney General that it was essential for the U. S. Court to continue functioning and that Harris G. Nelson, partner of Dr. George Sellett, had been appointed Acting District Attorney in place of Leighton Shields, District Attorney, who was in Japan at the beginning of the Shanghai crisis and had been unable to return and resume his duties. What was back of the Attorney General's suggestion was not known, but a report through *United Press* said that the State Department had advised the Department of Justice to defer authorizing Judge Helmick to withdraw the Court at this time. It was understood that the Department of Justice had also been advised regarding the complications likely to result from such a sudden withdrawal of the Court, particularly in view of the extensive duties which the Court was now performing in the administration of estates, innumerable civil and criminal cases, juvenile cases concerning adoptions, marriages, divorces, bankruptsies, liquidations and other matters incidental to the present crisis.

This unexpected development gives some idea of the complications which have developed to plague the President since the development of the Sino-Japanese crisis. In addition to the activities of the peace advocates and those demanding the use of force in settling the crisis, the dangerous element of labor politics was injected when the National Maritime Union and Maritime Council of the Port of New York, affiliates of the Committee for Industrial Organization and International Longshoremen's Association demanded the enforcement of an American labor boycott of war materials destined for Japan. The group declared Japan was the aggressor and demanded that the United States intervene and brand Japan as guilty of violating the Kellogg-Briand anti-war pact and the Nine-Power Treaty. Shortly following this development the crew of one of the Dollar President boats, scheduled to sail for the Orient, refused to permit the ship to depart unless all members of the crew were paid a bonus of $250.00 (U. S. Currency) each, in the event the boat called at Shanghai. And this despite the announcement that the ship was scheduled to remove American refugees from this port!

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Then there is the element of munitions shipments, at least one cargo steamer, the "Wichita," operated by the Roosevelt Steamship Company (not connected with President Roosevelt) having already sailed with a large cargo of airplanes and barbed-wire bound for Shanghai. As the ship is proceeding from the East Coast it will require several weeks for it reach the China coast, via Manila; in the meantime the Maritime Commission has announced that the cargo may be unloaded in either Manila or Hongkong. Despite statements the Japanese do not intend to interfere with the shipment it is obvious that they will try to intercept the ship as they did in connection with the German steamer "Gneeisnau" which arrived here recently with a large cargo of munitions but the Captain of the Steamer was prevented from unloading the munitions here. The cargo was taken to Japan and unloaded at Kobe!

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A further complicating element, likely to prove most embarassing to President Roosevelt as it was to another Democratic Chief Executive, the late Woodrow Wilson, is that of finance. Just before the outbreak of the present "war" Dr. H. H. Kung, Finance Minister, made a trip to Washington and arranged for further credits based on sales of silver to the United States Treasury. The Japanese, knowing well their intention of embarking on a policy of aggression, shipped nearly U. S. $160,000,000 in gold bullon to the United States for the purpose of establishing credits to cover purchases in the United States. According to guarded reports in the Tokyo newspapers, the Japanese Government shipped such large quantities of their gold reserves to the United States that the Bank of Japan was compelled to discontinue the issuance of public statements of its reserves and general condition.

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Then there is the major complication of dealing with American citizens and their interests caught in the complications of actual war, despite the careful avoidance of the use of the word. A hint of the major troubles involved in that problem was provided by the uproar which was raised in Shanghai early this week as a result of the publication of dispatches from Washington crediting President Roosevelt with the statement that all Americans, "without exception" had been warned to leave China and that sufficient time would be given them to take advantage of the facilities for evacuation, "but that the Government would not be responsible for their protection if they chose to remain." The President was quoted as describing the Sino-Japanese situation as an "awful mess," which statement by *Reuters* was accompanied by the information that it was made at a press conference aboard the President's yacht. Harassed Americans with their nerves worn raw dodging accidentally or purposely misdirected shells and air-bombs and observing their properties being consumed by incendiary fires, literally "blew-up" when they read this news report and without waiting to ascertain whether the President was misquoted, the American Chamber of Commerce dispatched a radio message to the State Department strongly criticising the Government's evacuation program and pointing out that the publication of such statements was adversely affecting American business interests and injuring American prestige. In addition the *Evening Post* published some four columns of interviews with local American citizens, some of which were so untempered as to startle most non-Americans. However, O. K. Yui, Mayor of the Municipality of Greater Shanghai, who is now official spokesman for the Field Headquarters of the Officer Commanding the Shanghai Area, was most moderate in his statement, "I see no urgent need for the evacuation of Americans from this section of China."

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It is obvious that Americans who have spent their lives in China, in business and professional work, do not wish to abandon their homes and businesses and sole sources of livelihood merely because certain officials in Washington have become excited verging on the hysterical, from reading news reports of the "war." It is quite true that Americans have been killed and wounded and many have had narrow escapes from death and injury and many more have had their properties destroyed as a result of the complications. Many persons in the interior have had even more serious experiences, such as that of the Rev. Hallis S. Smith of the American Church Church Mission at Changshu, a city of some 100,000 people, located about 60 miles from Shanghai. Rev. Smith narrowly escaped death himself and had to stand helplessly by and observe Japanese airplanes drop bomb after bomb on a defenseless population composed entirely of non-combatants, causing the deaths of at least 800 and injuries to some 2,000 more. Other missionaries have had their hospitals and schools destroyed by Japanese aviators bent apparently on nothing more than wanton destruction of property and creation of terrorism. It is obvious that these reports, cabled to the American papers, have created panicky conditions, and have played into the hands of the "isolationists," professional pacifists, and, not-to-be-overlooked, Japanese protagonists, who would yank all Americans out of Asia and leave the field to the Japanese and their military fascist allies in Europe, It is quite obvious that the American people will, in time, come to their senses and realize that long-established policies running back to the very foundations of our Republic cannot be scrapped overnight merely to suit the convenience of theorists with utopian ideas or special advocates in the pay of alien governments or organizations. Sooner or later the American people will regain their senses and be able to sweep away the obstructions, official or otherwise, which are now complicating the development of policies based on experience and sound common sense.

American Missionaries Resent Intimation That Roosevelt Referred to Them

The U. S. State Department in denying that America contemplated any change in policy in China and expressing regret that Americans in China had been alarmed, intimated that President Roosevelt in his remarks last Sunday probably referred to missionaries and teachers "who stubbornly insist upon staying up country," despite repeated warnings from their Consuls.

This brought the retort from missionary circles that they knew nothing about any "warnings." The Rev. Maxey Smith of the American Presbyterian Mission (South) stated that some missionaries up country such as doctors and nurses have duties of responsible nature which make personal safety a second consideration.

"Japan Will Withdraw Troops If China Admits Her Faults"—Hirota

Koki Hirota, Japanese Foreign Minister, in a statement before, 44 foreign newspapermen in Tokyo Sept. 3 deplored the present hostilities in China, both in the north and in Shanghai. He added, "If the Chinese Government is willing to reconsider her past anti-Japanese actions and admit her faults, the Japanese Government would not hesitate to withdraw its troops from China and renew amicable relations with that nation."

"The situation in China," Mr. Hirota explained, "was brought about by those leaders of China who used the policy of resistance against Japan as a tool to strengthen the Nanking Government."

Chinese Evacuate Western Japan—Fear Bombing

Eight hundred Chinese residents of western Japan departed for Hongkong Sept. 3. The evacuation is presumably the result of nervous tension caused by rumors of Chinese planes bombing Japan.

Chinese Chamber Urges Suspension of Payment of Japanese Boxer Indemnity

Suspension or postponement of payment of the Japanese portion of the Boxer Indemnity, was urged this week by the Shanghai City Chamber of Commerce in identic petitions to the Executive Yuan and the Ministry of Finance. The petition points out that while the British and American Boxer Indemnity Refunds are used for purposes beneficial to this country, the Japanese portion of the Indemnity is used by the Japanese Government for cultural aggression against China.

Siam Will Remain Strictly Neutral in Present Sino-Japanese Conflict

A *Trans-Ocean* message from Singapore this week stated that according to Siamese political circles there, Siam's position in the Sino-Japanese conflict will be one of strict neutrality. It was declared that whereas Siam formerly imported considerable quantities of goods from Japan most of her trade is to-day carried on with European countries. Although the Siamese-Japanese friendship has not suffered because of the present conflict, it was stated that Siam will turn west in the future rather than to the east for the assistance and goods she may need.

A Tale of Two Dairies—Poplar Grove and "Columbia"

FIVE or six years ago a group of American young men, most of them from Portland, Oregon, some graduates of the college of agriculture of that state, organized a model dairy farm in the Kiangwan district, about a dozen miles to the north of Shanghai. It was known as the Poplar Grove Farms and in recent years had become quite a show-place, famous for its modern sanitary equipment, all imported from the United States. Visitors were treated to samples of the dairy's products, milk, cream, ice cream, cheese.

But of most interest was the herd of blooded cattle brought to Shanghai from the United States, chiefly from the Pacific Northwest. Chinese, unaccustomed to the use of cow's milk, became customers of the model American dairy and the institution began to prosper and pay dividends on the investment said to exceed a million dollars. Progressive Chinese in other parts of the country started similar enterprises, purchasing cows from the Poplar Grove Farms.

Then came the Japanese invasion and the Sino-Japanese crisis which quickly spread to the Kiangwan district where the dairy was located. The managers of the farm, J. H. McKennan, Arthur Dudley, Robert Sweet and Mrs. C. M. Campbell, all American citizens, remained at the dairy as long as they could, doing their best along with the Chinese staff, to care for the herd of blooded cattle numbering some 300. All of the Americans certified there were no Chinese soldiers on the farm premises, although there were a considerable number in the vicinity and it was alleged the Chinese had set up a battery of trench-mortars in the district. But there were no soldiers on the premises, justifying Japanese frightfulness.

But Japanese frightfulness came anyway. Japanese air-bombers visited the farm, dropped bombs on some of the sheds, killed a number of cattle. Two Americans, who had come

Dumb animals—more than 200 blooded American milk cows—belonging to the Poplar Grove Model Dairy, located at Kiangwan, about a dozen miles from Shanghai, were bombed and killed and the buildings destroyed by Japanese air-bombers. As there were no Chinese soldiers on the premises, the reason for the wanton destruction is not known. When asked the reason for the action the Japanese claimed they had not completed their investigation.

Japanese naval planes repeatedly air-bombed and finally destroyed the American-owned Poplar Grove Model Dairy Farms, located about a dozen miles from the city in the Kiangwan area. More than 200 blooded American milk-cows, imported from the state of Oregon were killed. As there were no Chinese soldiers on the premises the reason for the wanton destruction of property, plainly marked with an American flag, is not known. The American authorties have protested the action and the Japanese will be required to pay for the damage estimated to be more than $1,000,000.

to Shanghai for safety, then returned to the farm to see what could be done to protect the cattle. They arrived about daylight, just in time to observe, and be subjected to, a most furious air-bombing and machine-gunning from Japanese airplanes of various types. Cows which had escaped the previous bombing were slaughtered, others limped about with broken legs and bleeding wounds. The Americans escaped only by hiding in a concrete enclosure. After the Japanese planes had gone the Americans destroyed the wounded cows, turned the remainder of the herd, less than 100 survivors of more than 300, out to fend for themselves. It was well they did for the Japanese planes returned again, two or three times and completely destroyed the property.

Throughout the bombings an American flag, indicating the nationality of the plant, was flying from a pole prominently displayed on top of the company's insignia, a large milk-bottle.

Later, after a report of the Japanese slaughter of the helpless cattle had been telegraphed abroad by the correspondents, the Japanese military propagandists issued a report alleging that Chinese troops had invaded the farms and had dug trenches and bomb-proofs in the fields—thus justifying Japanese military barbarism!

"COLUMBIA—INC. U.S.A."

We now turn to another dairy, located on the other side of Shanghai, out on Hungjao Road, which also flies the American flag and is listed in the local directory or Hong List as "Columbia Dairy, Inc. U.S.A." But the names of the managers do not sound like the cognomens of American citizens—R. Ishisaki, director; J. T. Ishisaki, secretary-treasurer; T. Katoh, accountant; Dr. T. Chiaki, veterinary. The directory also listed an American as "managing-director," but we understand he seldom was on the premises and was discharged several months ago.

The real story of Columbia Dairy, Inc. U.S.A. is an interesting one. Prior to the Japanese invasion of Shanghai in 1932, the dairy located on Hungjao road was known as the "Ariyoshi" dairy or a name somewhat similar to that, and was generally recognized as a Japanese institution. But the Japanese proprietors feared the Chinese would loot the place as an "enemy" enterprise, so they cleverly had it incorporated as an American concern—and the next morning there was a bright new American flag fluttering in the breeze from the roof of the main barn. The American flag has continued to flutter from the premises, still does, and no Japanese plane has dropped any bombs on Columbia Dairy, Inc. U.S.A. Likewise, no Japanese airplane machine-gunners have slaughtered the herds of Messrs. Ishisaki, as they did the herds of Poplar Grove Farms on the other side of the city. Chinese soldiers also control the area about "Columbia" dairy; hence the Japanese could offer a similar excuse, but of course they will not because Columbia Dairy—despite its Inc. U.S.A.—is a 100 percent Japanese enterprise! Columbia Dairy, Inc. U.S.A. will never be damaged by Japanese warplanes because it has double protection—Japanese ownership and an American flag. Poplar Grove only had the "protection" of an American flag!

Japanese Diet Passes Emergency Budget Bill of Yen 2,022,000,000

Without a dissenting vote, the House of Representatives Sept. 7 passed the third supplementary budget, providing Yen 2,022,000,000 for expenditures connected with the latest Sino-Japanese incident. The House of Peers gave its approval Sept. 8.

Japan's Economic Collapse Seen Near by Wang Ching-wei

"We may assert that the near future will not see the submission of China but the economic collapse of Japan," declared Wang Ching-wei, Chairman of the Central Political Council, in a radio speech over the Central Broadcasting Station Sept. 6.

Manchukuo Units Desert on Large Scale—Encouraged by Chinese Resistance

A *Kuo Min* message from Kweihua, Sept. 7 stated that since the news that Chinese resistance against the Japanese invaders is being made on a large scale, the defection of "Manchukuo" units in the four North-eastern provinces has become a daily occurrence. Mutinous soldiers are stated to have killed Japanese officers and disrupted communications. Lieut.-Gen. K. Uyeda, Commander-in-Chief of the Japanese Kwantung Army, is reported to have already wired to Tokyo, asking for reinforcements for the garrison in Manchuria.

Japanese Seize Two Customs Cruisers Near Hongkong

Two Chinese Customs cruisers, the *Shungking* and the *Kwan-wei*, were seized by a Japanese destroyer late Sept, 5 off Green Point, near Hongkong waters. Sir Frederick Maze, Inspector General of Chinese Customs commented that in view of the peaceful nature of the activities of the vessels in question, which were obviously not participating in the hostilities between China and Japan, and also taking into consideration the fact that international interests would be seriously affected by any interference with the work of the Maritime Customs, it was difficult to find any justification whatever for such high-handed action.

Japanese Bomber Brought Down Near Markham Railway Yards

A Japanese bomber burst over the Markham Road Railway Yard near the northwest corner of the Settlement at 12.18 p.m. Sept. 4, after being brought down by Chinese anti-airacrft gunners. The tremendous explosion which followed jarred buildings all over the Settlement and Concession. It was one of three Japanese bombers had been busy during the morning over the North Station and the Shanghai-Nanking Railway. The debris landed in the district known as Ta Yang Miao, near a temple near the Cantonese Cemetery about 300 yerds east of Soochow Creek off Mokanshan Road. Many observers in the Settlement saw parts of the shattered bomber floating down from the clouds.

Japanese Say China Air Force Will Last Only Four or Five Weeks More

Japanese military and naval spokesmen this week expressed the opinion that the Chinese air force would only last "four to five weeks more at the present rate."

Chinese Bomb Japanese Destroyer at Woosung

Chinese bombing planes attacked the Japanese warships at Woosung during the night of Sept. 6 and claimed to have scored several direct hits on two destroyers.

Japanese Planes Bomb Tatung

Several Japanese airplanes bombed Tatung, strategic city on the Peiping-Suiyuan Railway in northern Shansi, Aug. 4 and 5.

Since Aug. 21, the Japanese airplanes have been appearing daily over Tatung. More than 200 bombs were dropped by 50 enemy airplanes during the past fortnight, killing 30 to 40 civilians and destroying a number of houses. Little other damage was inflicted by the invaders.

Japanese Launch Heavy Drive in Yangtsze Estuary —Chinese Battalion Holds out at Paoshan

THE most determined drive by the Japanese since the outbreak of hostilities in the Shanghai area was launched during the night of Sept. 5 and the following day. The Japanese warships went down the river to assist the land and air forces in attacking the Chinese positions in the areas near the junction of the Yangtsze and the Whangpoo. Japanese warships also poured shells into Pootung in an attempt to silence the elusive Chinese batteries in that direction. The Japanese claimed to have cleared Chinese troops out of Paoshan. The Chinese account admitted that one battalion had been left in the town and nothing had been heard of them when the Japanese surrounded the city. The Japanese claimed that a Chinese force of about 600 men had been "decimated" in the Lotien sector, following a surprise attack. "Several hundred" other soldiers, retreating from the walled town of Paoshan, now in Japanese hands, were "completely exterminated," a Japanese statement averred. The fighting at Paoshan was preceded the previous night by a heavy Japanese bombardment. Lion Forts were also subjected to bombardment. Japanese planes also bombed Taichang and Kiating.

Japanese Claim Capture of Paoshan

Capture of Paoshan, following three successive attacks upon Chinese positions on the night of Sept 4, was claimed by the Japanese Army in a special communique. The walled town, the statement said, was occupied after the retreat of Chinese forces stationed in the vicinity of Chinchiachai village.

Chinese Battalion Wiped Out Near Lotien, Japanese Claim

Surrounded by Japanese troops in territory they apparently believed to be in Chinese hands the members of an unnamed Chinese battalion were "wiped out" in the vicinity of Lotien on Sept. 5, a Japanese military spokesman announced, two days later.

Sampan Incident Causes Whangpoo Engagement Lasting More Than an Hour

Breaking a three-day lull in the immediate vicinity of the foreign-controlled areas, a heavy artillery duel between Japanese men-of-war in the Whangpoo and Chinese batteries in Pootung raged throughout the greater part of Sept. 3.

It was the longest and most violent encounter that has occurred so near to the Foreign Settlement of Shanghai since the war began and had its inception in an incident from which a Chinese sampan woman emerged as the heroine. The woman was yuloh-ing (propelling like a fish does with his tail) a sampan in which there were five male Chinese, whom the Japanese claimed were snipers. The little Japanese naval launch at a buoy opposite Nanking road hailed the sampan with two warning shots, but the only effect of the warning was to have the Chinese woman bend more strongly to her yuloh. Then the Japanese let go with machine guns. The Chinese males dived into the river; three of them got to the Pootung shore under cover of junks, hiding in the shipbuilding yard there. The Japanese thereupon directed their fire on the shipyard, tried to land men there, only to be met with machine gun fire. The cruiser *Idzumo* and several of the Japanese destroyers also used their big guns. Thereupon the Chinese replied with artillery and trench mortars from inland, and for more than an hour the Shanghai Settlement was shaken as by a series of earthquake tremors to the tune of deafening detonations. The Chinese shells popped all around the *Idzumo* and three of them hit the Consulate. The Chinese sampan women duly arrived safely on the French Bund amidst the cheers of the whole water front, particularly the crew of the American cruiser *Augusta*. The shipyard was burned and the Japanese claimed they had silenced the Chinese big guns inland. An incidental attempt of the Japanese to land 100 men on the Pootung shore was frustrated.

A Japanese armed transport (which also assisted in shelling the Chinese positions) was hit by shrapnel, and a number of Japanese on board were wounded. One Chinese shell fell on Peiping road near the Bund, as a result of which seven Chinese, one Sikh policeman and a Russian member of the S. V. C. were injured. Shells fell in various parts of Hongkew. Three Japanese policemen and a Japanese newspaperman were injured in and near the Japanese Consulate. A shell that fell on the Boulevard des Deux Republiques was stated to be of Austrian manufacture.

Japanese Bomber Bursts in Air Over Markham Road Railway Yards

A Japanese bomber burst over the Markham Road Railway Yards near the northwest corner of the Settlement at 12.18 p.m. Sept. 4, being brought down by Chinese anti-aircraft gunners. The tremendous explosion which followed jarred buildings all over the Settlement and Concession. It was one of three Japanese bombers that had been busy during the morning over the North Station and the Shanghai-Nanking Railway. The debris landed in the district known as Ta Yang Miao, near a temple near the Cantonese Cemetery about 300 yards east of Soochow Creek, off Mokanshan Road. Many observers in the Settlement saw parts of the shattered bomber floating down from the clouds.

Japanese Bomb Comes Dangerously Near British Troops

A Japanese airbomb was dropped dangerously close to the British outpost on the corner of North Kiangse and Range Road during the bombing of the North station early Sept. 4. The bomb struck the pavement on the north side of Range Road less than 15 feet from Blockhaus "A." Shortly after the dropping of the bomb, a Japanese officer came running up to the British outpost and wanted to know if any of the men were hurt. "So sorry," he said.

Shrapnel Rains Over American Positions

The Ichang Road Fire Station was sprayed with shrapnel at 6.30 a.m. Sept. 1 during a bombardment of the neighborhood from the southeast. A five-inch shell, which had been presumably fired from a Japanese naval gun, struck at Ichang Road and West Soochow Road, near the Station, and exploded, raining fragments over the Station and the American Marine positions in the vicinity.

Harassed Japanese Remnants in Lotien Allegedly Surrounded by Chinese

Japanese remnants operating in Lotien, after being subjected to a severe attack from the Chinese troops had been rounded up and were being liquidated, a Chinese military spokesman at the daily press conference in Shanghai stated Sept. 3. Up to the previous day the spokesman stated, two thirds of the entire area of Lotien had already fallen into Chinese hands.

Japanese Admit Only Score of Survivors Out of 150 in Lotien Encounter

Two cases where Japanese units operating in the vicinity of Lotien early last week were almost wiped out by more numerous Chinese forces, were related by a Japanese military spokesman at a press conference in Shanghai Sept. 5. A platoon of about 30 engineers managed to reach the neighborhood of a bridge south of Lotien on Aug. 23 without being detected by the Chinese. While they were resting near the bridge, they noticed a convoy of three Chinese trucks loaded with trench mortars approaching in their direction. The Japanese platoon attacked the nearing trucks with fixed bayonets and forced the convoy into the creek. Another group of five to six trucks also loaded with ammunition was then seen approaching. After bitter hand-to-hand fighting, these Chinese trucks were also wrecked. While this engagement was under way, Chinese reinforcements surrounded the Japanese, the spokesman said. Fighting desperately, the Japanese cut through the ring of Chinese. Only five Japanese, however, managed to return to their base alive.

In another encounter west of Lotien that took place about three days after the first engagement, a platoon of Japanese soldiers assigned to defend a small village, was surrounded by Chinese troops.

The Japanese unit called for help and a company was rushed to its assistance. Crossing creeks breast deep, the Japanese met with violent Chinese fire. The company commander was killed whereupon a lieutenant took over the command. This officer was also killed and replaced by a sergeant-major. When the latter also fell victim to Chinese gunfire, a corporal assumed command. A check-up, a Japanese spokesman said, revealed that 50 were killed and 80 wounded. This left only a score of uninjured survivors.

Japanese Frustrated in Breaking Through in a Short Time

A foreign military observer is qouted by *Central News* as stating that of great disadvantage to Japan's armed strength is the lengthening of the war front. The main objective of the Japanese in concentrating such a huge armed force in Shanghai, in his opinion, was apparently to land their troops and break through the Chinese defense lines in "a very short time." However the unexpectedly stiff resistance put up by the Chinese troops in Chapei and Hongkew had made "practically useless" the strong defense works previously prepared by the Naval Landing Party in the Hongkew sector. As a result, he stated, the Japanese were forced to revert to their 1932 tactics by landing troops in the Liuho and other coastal sectors. But even that was frustrated by the Chinese.

Outstanding Events in the Sino-Japanese War at Shanghai

DAY-TO-DAY SUMMARY

July 24.—A Japanese seaman by the name of Sadao Miyazaki was reported missing. He was alleged to have been "kidnapped" by a party of Chinese and his disapperance caused much excitement in Shanghai.

July 27.—Miyazaki was found and rescued by a Chinese boatman near Chinkiang, provincial Capital of Kiangsu.

July 28.—Miyazaki was escorted to Nanking and handed over to the Japanese Consulate-General there. He confessed in a signed written statement that he deserted when he was seen by a fellow Japanese seaman while visiting a house of ill fame on July 24 near North Szechuen Road which was not one of those designated by the Japanese Naval Landing Party Headquarters.

Aug. 6.—The Japanese Government suddenly ordered the wholesale evacuation of all Japanese nationals in Hankow and the transfer of the Japanese Concession there to the Chinese control.

Aug. 7.—All civilian Japanese population in Hankow was evacuated by the Japanese warships for Shanghai. The subsequent concentration of the Japanese warships from Upper Yangtsze in and around Shanghai greatly aggravated the situation here which had already become tense as a result of the Japanese war in North China, and intensified the Chinese apprehension that the Japanese were determined to renew their invasion of Shanghai.

Aug. 9.—Sub-Lieutenant Isao Ohyama and Seaman Yozo Saito of the Japanese Naval Landing Party in Shanghai, armed with a service revolver, (No. 6816,) motored to the Chinese Aerodrome in Hungjao Road in the afternoon and attempted to drive into the compound of the military aerodome there. They were challenged by a Chinese sentry on guard at the entrance of the aerodrome and thereupon they fired on the Chinese guard with the revolver and killed him. The Chinese **Pao An Tui** (Peace Preservation Corps), on learning of the incident, rushed to the scene and exchanged shots with the two Japanese officers, resulting in the killing of both near the Hungjao Aerodrome.

Aug. 11.—The situation in Shanghai took a serious turn when a Japanese Naval Squadron arrived here with large reinforcements for the Japanese naval forces already in Shanghai. The squadron consisted of four Cruizers and seven Destroyers and, the marines and ammunitions were landed at the wharves in Yangtszepoo. The landing of the Japanese reinforcements greatly alarmed the local Chinese population and further intensified the Chinese apprehension that the Japanese were all ready to strike.

* * *

Aug. 12.—At the request of the Japanese Consul-General in Shanghai, a meeting of the International Commission for the Enforcement of the Peace Agreement of 1932 was held, at which both the Japanese Consul General Mr. Okamoto and the Chinese Mayor Mr. O. K. Yui charged each other with violation of the 1932 Agreement and the meeting ended with the mutual pledge that both parties should refrain from attacking the other.

Aug. 12.—In view of the continuous arrival of Japanese reinforcements and their war-like preparations, two Divisions of the Chinese National troops, the 87th and the 88th, were rushed to Shanghai from the interior and took up defense positions in the Chapei-Kiangwan Area in preparation against hostile attacks by the Japanese.

Aug. 12.—The Chinese Foreign Office issued a statement from Nanking, reviewing the Sino-Japanese situation in the North, and in Shanghai since the Hungjao Road incident on Aug. 9 and declaring that China will act in self-defence by resisting Japanese aggression and violence.

Aug. 12.—The Whangpoo River at the boundary between the French Concession and Nantao (south of the Chinese City) was blockaded in the evening by the sinking of several steamers and river junks as a precautionary measure against the Japanese warships steaming up river.

* * *

Aug. 13.—At about 9.30 a.m., fighting broke out at several points in Chapei. Shortly after the outbreak of the fighting, Mayor O. K. Yui lodged a strong protest with the Japanese Consul-General Mr. Okamoto against the provocative attacks on Chinese troops by the Japanese marines.

Aug. 13.—The National Government announced in a statement that the Yangtze River below Chinkiang had been mined and thereby closed to traffic.

Aug. 13.—The Ministry of Finance issued an order to all the Government and private banks in Shanghai to suspend business until Aug. 16.

Aug. 13.—Fighting between the Chinese and the Japanese forces continued the whole day and night and machine guns and artillery were brought into play by both sides. Shanghai had definitely entered into a state of war.

* * *

Aug. 14.—Fighting today was principally featured by a fierce aerial warfare between the Chinese and the Japanese air forces. A squadron of Chinese bombers bombed the Japanese flagship, **Idzumo**, moored in the Whangpoo below the Japanese Consulate, which had been directing the Japanese bombardment on Chinese positions in Chapei. The **Idzumo** replied with heavy anti-aircraft guns. Shells and bombs fell in several parts of the Settlement. Shortly after noon, two Japanese bombers bombed the Chinese Aerodrome at Hungjao. Late in the afternoon, several bombs fell on Nanking Road near the Bund, demolishing parts of the Chathay and Palace Hotels and killing a large number of Chinese and foreigners, the latter being mostly guests at the two hotels. About 4.30 p.m., two bombs were accidentally dropped on Ave. Edward VII near the Great World from a Chinese bomber which had been hit by a Japanese anti-craft gun shell. Over 1,000 casualties resulted when the bombs exploded.

Aug. 14.—Mayor O. K. Yui protested to the Senior Foreign Consul in Shanghai against the using of the International Settlement by the Japanese as a base of operations against the Chinese defence troops.

* * *

Aug. 15.—The Chinese Foreign Office issued a statement reviewing the history of Japanese aggressions. The statement solemnly declares that China's territorial integrity and sovereign rights had been wantonly violated by Japan in glaring violation of such peace instruments as the Covenant of the League of Nations, the Nine Power Treaty and the Paris Peace Pact. China is in duty bound to defend her territory and her national existence as well as the sanctity of the above mentioned treaties. The statement concludes with the hope that all friendly nations while showing sympathy with China will be conscious of their obligations under the international treaties to which they have solemnly subscribed.

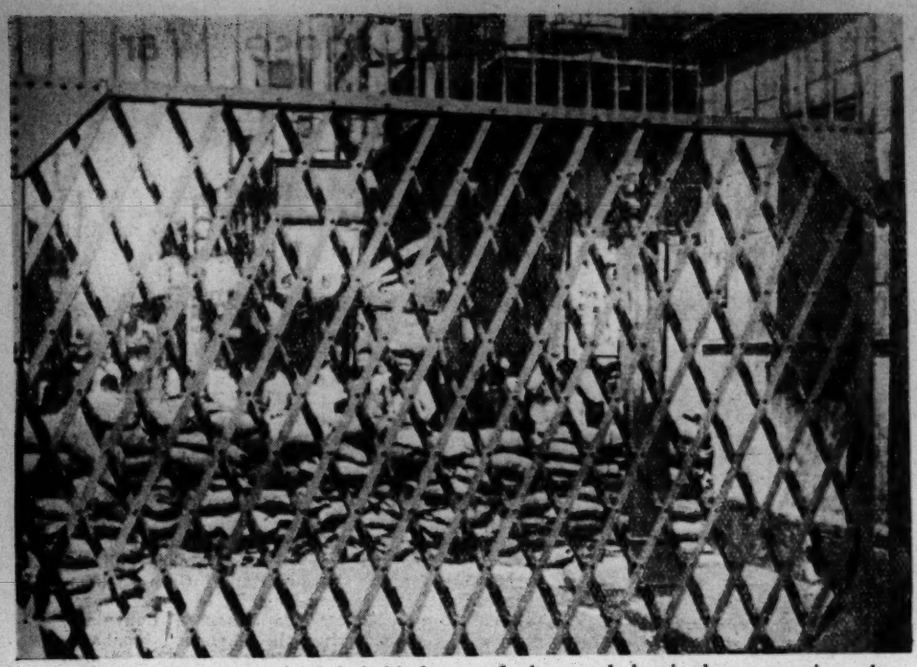
Aug. 15.—The Chinese Military Authorities at Nanking issued a statement, deeply deploring the heavy civilian casualties caused by the accidental dropping of several bombs in the Concession in Shanghai on Aug. 14 and explaining that the dropping of the bombs was the result that the pilots of the Chinese bombers in question were injured by the Japanese anti-aircraft guns and their bombracks were so damaged that the bombs released themselves entirely against the wish of the pilots.

Aug. 15.—Japanese bombers raided Nanking, Hangchow, Kwangteh (Anhwei), and Nanchang (Kiangsi). Chinese reports claimed that six Japanese bombers were brought down during their raid on Nanking.

Aug. 15.—Mayor O. K. Yui, in replying to the protest of the Senior Foreign Consul against aerial operations over the Settlement, charged that the Japanese were not only using the Settlement as a base of operations but had mounted anti-aircraft guns on the roofs of Japanese banks and other buildings in the Central District.

Aug. 15.—The British authorities in Shanghai decided to evacuate all British women and children to Hongkong as early as practicable.

(To Be Continued Next Week)



Foreign troops on the job behind one of the steel barricades, separating the foreign from the Chinese areas along the borders of the International Settlement.

Modernly equipped Chinese troops photographed

With their meager family possessions, tens of thousands of Chinese and their families, moved from the areas occupied by the Japanese into the section south of Soochow Creek, occupied—and defended—by the Occidental troops.

Chinese aviators attaching the deadly "eggs" to airfield near Shanghai.

How the Russian Community in Shanghai Meets the Present Crisis

The Russian Community in Shanghai, which up until now has found this place a haven of refuge, suddenly finds itself in a difficult position. People of other nationalities can go to their home countries if they choose. The White Russians prefer to take the risks of war here rather than to return to Soviet-ruled territory. The situation of the Russians here, from the economic point of view, has been considerably alleviated owing to the demand for labor for trucking and removal purposes, particularly in the Northern and Eastern areas. The Henningsen Produce Co., for example, has made good use of more than a hundred Russians in removing what is left of their property on Sawgin Road. The Ewo Brewery in Yangtszepoo also makes use of Russian labor, as do many other companies having works or factories in that area. The bravery of the Russians has been demonstrated in many ways, whether in the performance of their duties as private watchmen, in the special Police or in the Volunteer Force. There are defense units here from many parts of the world, and should it ever be necessary for them to go into action it may be taken for granted that none will give a better account of themselves than the Russians, if for no other reason than they have an added motive—they will be fighting for their home, the only one they've got.

French Build Elaborate Defences—Brick Wall Along Siccawei Creek

The most elaborate of all the foreign defenses at Shanghai are those being erected by the French for the protection of their Concession. The outstanding feature is the erection of a brick wall along that portion of Siccawei Road which has been filled in. The brick wall has a double purpose, first of all to keep out invaders, and second if they do surmount it that the shots which will lay them low will not go by beyond the Concession limits and hit innocent people. The bodies lying inside the wall will be considered by the French (and by others) to be the best evidence that they were shot because they were in a place where they had no business to be.

otographed on one of the roads near Shanghai,

American men telling their wives (or sweethearts) goodbye at the tender which conveyed several hundred American women and children from the Shanghai Bund to the President Boats anchored at Woosung. The refugees were taken to Manila for safety.

"egg" to one of their planes at an emergency

American refugees from Tsingtao and other parts of Shantung arrive in Shanghai aboard an American Naval vessel.

Japanese to Bombard Nantao?

"Serious attention" was being paid by the Japanese naval and military authorities regarding the problem of whether or not to bomb Nantao, thickly populated Chinese area adjoining the French Concession, a spokesman for the Japanese navy declared Sept. 6. The Japanese forces were "reluctant" to attack the area, he said.

"However, the Japanese hand may be forced if the Chinese continue to use Nantao as a base of military operations" the spokesman declared.

Asked to define what would constitute a "base of military operations," the spokesman asserted that any area where Chinese troops were concentrated, where Chinese military supplies were gathered and distributed, or where Chinese military communications were centralized, would be regarded by the Japanese as a hostile base. Nantao, he alleged, was being used for such purposes by the Chinese at the present time.

Japanese Bomb Village in Jessfield Area—Heavy Casualties Among Beggars

A spokesman of the Japanese Naval Attache's office declared Aug. 6 that heavy damages were inflicted on units of the 57th division and 58th division of the Chinese army concentrated at Peihsinching, west of Jessfield Park, on Sunday when Japanese naval aircraft carried out a series of bombing operations in that area. Three separate raids were carried out by the Japanese planes, at eight a.m., at noon and at two o'clock in the afternoon, the spokesman said. He added the Chinese troops in that area numbered approximately 8,000 men. "Severe casualties," the spokesman asserted, "were sustained by the Chinese." The Japanese planes, the spokesman concluded, though subjected to heavy fire from the Chinese machine gun batteries, returned without damages.

The *Shanghai Evening Post* account of the bombing raid said the principal victims of the Japanese raid were members of a beggars' camp in the village, 50 of whom were killed and more than a hundred wounded.

Hirota Says Japan Must Take Resolute Action and Compel China to Mend Her Ways

Foreign Minister Koki Hirota in his speech before the Japanese Diet Sept. 5 stated that the statesmen of China would "speedily realize their mistakes." In a lengthy address, devoted almost entirely to a recapitulation of recent events along the Yangtsze and in Shanghai, Mr. Hirota asserted that Japan could "do no other" than counter by force of arms the mobilization of China's "vast armies." "The urgent need at this moment," he declared" is that Japan take a resolute attitude and compel China to mend her ways."

Japan's basic policy, the Foreign Minister stated, aimed "at the stabilization of East Asia through conciliation and co-operation among Japan, Manchukuo, and China for their common prosperity and well-being."

"Japan has no other objective than to see a happy and tranquil North China and all China freed from the danger of the recurrence of such calamitous hostilities as the present, and Sino-Japanese relations so adjusted as to enable us to put into practice our above-mentioned policy," he declared.

The cause of the actual hostilities was ascribed by Mr. Hirota to the practice of the Nanking Government and other military regimes in China of inciting "public opinion against Japan as a means of strengthening their own political powers."

The Foreign Minister regretted that the nationals of third countries in China were being subjected to "trials and tribulations" similar to those undergone by Japanese residents.

Fifty thousand Japanese, he declared, had been forced to evacuate, leaving behind them their huge investments and their business interests, acquired through years of arduous toil, and other rights and interests, while not a few of them have been made victims of the hostilities.

Japan, having great interests in Shanghai, was desirous, asw ere other interested Powers, of maintaining peace and order in that area, Mr. Hirota said in describing Japan's attitude towards the Anglo-French proposal for a mutual Sino-Japanese withdrawal of armed forces from the Shanghai area.

"Chinese 'Cooperation' Will Halt Japanese Action"—Konoye

Chinese reconsideration of her policies regarding her relations with Japan will bring to a halt Japanese military activity, Premier Konoye told the Diet Sept. 5. "The Japanese Government," Premier Konoye declared, "is prepared to halt its present measures provided the Chinese Government really shows signs of true reconsideration and sincerely gives evidence that it will cooperate with Japan in promoting Oriental culture and the maintenance of Oriental peace."

Prince Konoye added, however, that "should the Chinese fail to reconsider and continue persistently to oppose Japan, the Japanese nation is naturally prepared to continue hostilities over an extended period."

YONAI SAYS CHINA MUST BE CHASTISED

United efforts of the Government and the people in "chastising China for her brutality", in order to "achieve the objectives of the expeditionary force", were asked by Admiral Mitsumasa Yonai, Navy Minister, in an address before the Diet in Tokyo Sept. 5.

The evacuation of Japanese residents from the upper reaches of the Yangtsze River, "without precedent in the history of Sino-Japanese relations," Admiral Yonai declared, "is an eloquent proof of the rampancy of the anti-Japanese movement in China."

In Shanghai, the Admiral continued, Japan was "compelled" to resort to arms to protect Japanese nationals as well as to "bring the barbaric Chinese troops to a reconsideration of their actions."

Japan Hopes to Float Loans to Cover Two Billion "China Incident" Expenses

Finance Minister Okinori Kaya, in the course of a speech on the Government's budgetary and economic legislation, in the Japanese Diet Sept. 5, disclosed that the Government would ask the Diet to appropriate more than Yen 2,064,000,000 for expenses connected with the "China incident".

The enormous military expenditures, Mr. Kaya said, will be met by the flotation of public loans, by the use of any possible ordinary budgetary surplus, and by the utilization of increases in revenues.

Bills providing for the State control of foreign trade, financial, industrial and credit transactions, establishment and expansion of industrial enterprises and commodity prices, will be submitted to the Diet during the current extraordinary session.

Huge Foreign Tonnage Chartered by Japanese Concerns

Foreign vessels chartered by Japanese concerns exceed 300,000 tons, while a similar tonnage of foreign bottoms has been purchased outright, a spokesman of the Japanese Ministry of Communications revealed Sept. 6.

WHO SAID WAR?

Los Angeles Evening Herald and Express

IT IS NOW THE "CHINA INCIDENT"

Tokyo, Sept. 2.—The Cabinet to-day decided to change the terminological description of the current crisis from "North China Incident" to "China Incident."—*Domei.*

Japan's Unfavorable Balance Stands at Three-Quarter Billion Yen

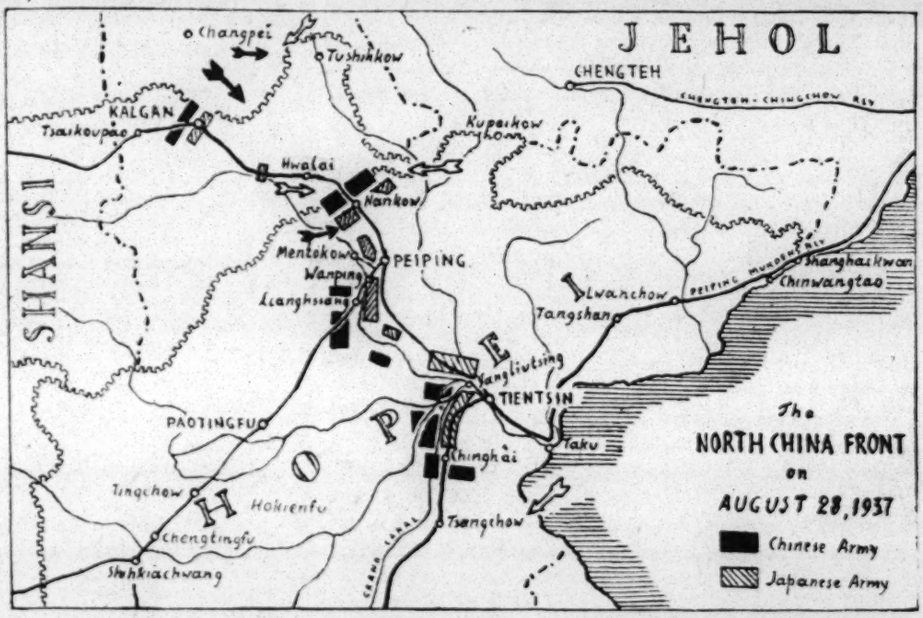
Official statistics issued by the Japanese Ministry of Finance Sept. 1 showed that since the beginning of the current year Japan's imports have exceeded her exports by Yen 774,231,000.

Decisive Battle in the Nankow-Kalgan Sector

BY A CORRESPONDENT

About a fortnight ago, a leading spirit of the military party in Japan, General Gen Sugiyama, Minister of War, officially confirmed the widely accepted conception that Japan would not allow herself to be dragged into prolonged war with China and stated that her armed forces now operating on Chinese soil, would do all possible in order to bring the war to a successful conclusion in the shortest possible time. As if to uphold this statement, the Japanese took, in the past week, several decisive steps with a view to crushing Chinese resistance at short notice—they landed more troops at Taku, moved a motorized column of unknown strength from Jehol into Chahar and brought somewhere between 50,000 and 60,000 troops to the Shanghai area to assist the hard pressed naval forces which have been battling on the front for nearly a month. In short, the past week may be characterized as the period of extreme activity on the part of the Japanese command preparatory to a big war on Chinese soil.

Previous forecasts that the Japanese would use a flanking movement in the direction of the Kalgan-Changpei-Ude (in Outer Mongolia) highway have proved to be too good, for, according to Japanese reports, so far not yet fully refuted by Chinese, the movement has resulted in the capture of Kalgan, right in the rear of Chinese troops defending, for the last several weeks, Nankow Pass. The capture of Kalgan, *if it is true*, amounts to a disaster for the Chinese troops defending the Pass and the mountain range; if so, they have lost the sources of supply and will not be able to hold on for any length of time in their fortified zone.



The above map drawn by the author of the accompanying article, shows the relative positions of Chinese and Japanese troops on the North China fronts. The precarious positions of both contending armies in the Nankow-Kalgan sector is apparent.

Granting the veracity of the report, it is not hard to presume that the Japanese will not lose time for pursuing their success further—it was already reported that their troops had moved from Kalgan eastward, towards Nankow, and reached Hwalai, thus squeezing the Chinese defenders of that historic pass between the two hammers, which, if passed still further, would result in the complete surrounding of the Nankow group of the Chinese army.

According to the Japanese reports, Kalgan was captured on August 26, and since then the Chinese appear to be doing all possible in order to save the situation by the only possible movements in the circumstances—attacking the left flank of the Japanese troops assaulting the Pass from the east (Peiping) and also those occupying Kalgan. If carried out simultaneously and in good numbers, the operation may even end very badly for the Japanese themselves, as the Kalgan group would then find itself in a bad way, almost cut off from its base. The attack on the flank and the rear of the eastern group would very greatly relieve the pressure brought to bear upon defenders of the Pass.

The operation is of course worth attempting if the troops near Kalgan are still in fighting shape, with arms, artillery and will to fight, or—in other words—if they are not demoralized completely from their recent defeat, which resulted in their flight from Kalgan. Then, there is another prerequisite for carrying out this momentous operation—that all the Chinese troops operating in Chahar and Hopei are commanded from one headquarters, or subject to one directing will. All this requires something which was rarely seen in previous Chinese and Sino-Japanese wars—the orderly retreat of the Chinese troops defending Kalgan and the unity of command.

That the Chinese troops operating near Kalgan appear to be in good shape may be deduced from a *Central News* report from Kweihua dated August 27 which stated that a decisive battle was expected to break out between the Chinese and Japanese troops near Changpei, to the north of Kalgan. The dispatch further stated that 'the Japanese troops are surrounded in this region, although they expect reinforcements from Dolonor; Chinese reports state, however, that the Japanese communication with Dolonor is cut off."

The report has injected a further uncertainty in regard to the situation obtaining in and around Kalgan. Giving it due credence, it is well to presume that, before the week is out, one of the decisive battles of the present Sino-Japanese war will be fought in the vicinity of Kalgan, and granting that the Chinese troops in the Western Hills are in good shape (a statement of the Chinese Ministry of War dated August 27 said that these troops had received substantial reinforcements in the nick of time), the position of the Japanese column in occupation of Kalgan and surrounding area appears to be untenable. The Japanese will of course do all possible in order to save it by moving reinforcements from Dolonor and Chengteh as well as by attacks on other, less important, sections of the front.

The moving of a motorized column from Jehol towards Changpei and Kalgan was a daring decision on the part of the Japanese command, which, it appears, underestimated the fighting zeal of Chinese troops operat-

ing in Chahar, and sent out a column, which cannot be too strong, far into the enemy territory, apparently not thinking that it might be exterminated. In war with a European army, they would not, of course, have restorted to such a daring action.

That the Chinese are attempting a flanking movement against Japanese troops operating near Nankow Pass appears to be certain. According to a Japanese report relayed August 26 by *Reuter's Agency* from Tientsin, they have dispersed a Chinese unit marching from Lianghsiang to Nankow. Doubtless, the Chinese will continue hammering in this direction, in order to relieve the position of the Nankow group and possibly to defeat the Japanese pressing hard on this group from the east.

While the Chinese troops in Nankow Pass were having a hard time the Japanese launched an offensive along the Peiping-Pukow Railway and pushed the Chinese troops from the neighborhood of Tientsin southward. On August 25, they claimed to have occupied Chinghai an important station between Tsangchow and Tientsin. However, later Chinese reports claimed that they had retaken Chinghai station.

All these developments substantiate the view that the greatest importance in the present warfare is attached to battles now being fought on North China fronts, and especially to operations for the control of the Nankow-Kalgan area. Both the contending parties appear to be so deeply involved in this operation that, before the week is out, it is reasonable to expect a crushing defeat of one of the contending groups. If the Chinese troops near Kalgan are in fighting shape, the Japanese position there appears to be extremely dangerous.

As regards the view of General Gen Sugiyama that Japan would not allow herself to be dragged into prolonged war with China, ending it at short notice, so to speak, there is no indication whatever that the Chinese resistance is going to break down in the predictable near future. On the contrary, the Chinese high command appears—as far as can be observed—to be avoiding a decisive battle, except in cases when it is quite unavoidable, like the operations near Nankow Pass and Kalgan. This means that the Chinese appear to be bent on defensive tactics, with occasional thrusts if and when they are necessary for weakening the Japanese position. Under the conditions, it is difficult to see how the hostilities can be brought to a successful end by a crushing defeat of the enemy.

For the sake of argument, it is well to suppose for a moment that the Chinese have lost the Nankow—Kalgan area as well as the district around Shanghai. Granting that the Chinese army would be kept intact, with the ever present will to fight, the loss of these territories would not mean the end of Chinese resistance, as the rear of the Chinese army would then be intact, ensuring a steady supply of man-power, arms and ammunition—it is presumed that the Chinese have, by now, a number of arsenals in the interior and at places within easy reach of the fronts.

Shanghai, August 29, 1937.

Terror Reigns in Japan-Occupied Peiping

The Shanghai *Hsin Min Pao* Sept. 3 published correspondence describing the terror, anarchy and confusion now reigning in Japanese-occupied Peiping. The old capital has sunk lower than it had ever before since its inglorious capture in foreign hands thirty seven years ago. Shame grips the city in every guise while death-lurks from all unexpected corners. With the steady infiltration of ronin and other undesirables into the city, opium dens have mushroomed overnight. Many people, tired of Japanese persecution, have committed suicide by swallowing overdoses of opium which could always be had at these dens. Japanese troops are now stationed at the Temple of Heaven, Tiehszetze Hutung and Chitanssu Temple. the story states.

Tung-Chi University to Reopen in Shanghai Foreign Settlement

"Japanese guns and planes can only destroy the material form of the National Tung-Chi University its buildings and equipment, but they cannot demolish our spirit," Dr. Ong Tse-lung, president of the institution at Woosung, which was razed to the ground by Japanese guns fire and aerial bombing on August 28 and 29, declared last week in announc ng that preparation had been compl-ted for the opening of classes at 29 Tifeng Road, Shanghai, from October 4.

Tung Chi University, located at Woosung Village, a technical institution conducted under joint German-Chinese auspices, was destroyed by Japanese air bombers on August 28 and 29. Chinese educational circles are stirred by the bombing of the Tung Chi University, by the Japanese, which they state is part of the deliberate plan of the Japanese vandals to wreck China's educational system by phyisically destroying the higher places of learning containing millions of dollars of apparatus, books, and equipment. The damage done to Tung Chi University is estimated at ten million dollars. The University authorities state that since the beginning of hostilities at Shanghai, there have never been Chinese soldiers stationed in Tung Chi University, nor has any use been made of the campus for any military purpose whatsoever.

Commissioner of Education Says Shanghai Schools Must Carry On

Primary and middle schools in Shanghai must carry on according to an order handed down Sept. 4 by Pan Kung-chan, Commissioner of Education and Social Affairs of Greater Shanghai Municipality.

Wartime University to be Established at Sian

To take care of the large number of college students affected by the present hostilities, the Ministry of Education in Nanking has decided to establish a Wartime University at Sian. The Shensi provincial education department has already received an order from Nanking immediately to look for a suitable campus.

U. S. Flag and Marines Guarding Yenching University Campus

An American flag as large as the yamen gate and four U. S. marines are now guarding the red-painted entrance to Yenching University, American missionary institution, in West Peiping, to keep loitering Japanese soldiers from forcing an entry into the $5,000,000 campus, one of the most expensive and beautiful college grounds throughout China.

Students in Kunming Complete Military Training

Commencement exercises for the students undergoing military training were held at the auditorium of the Yunnan Provincial Party Headquarters in Kunming (Yunnanfu), Aug. 18.

Books Detrimental to Friendly Relations Between States Banned by Peiping Chief of Police

Immediate destruction by fire of all books "detrimental to friendly relations between states" was ordered in a proclamation issued by Pan Yu-kwei, the Chief of Police of Peiping, Aug. 11.

Tung Wen College to Open Fall Term in Nagasaki

Unable to open the Fall term on its campus on Hungiao Road, Shanghai, the Tung Wen ("Japanese Spy") College will begin its 1937-38 school year in a girls' normal school building in Nagasaki. The College is maintained by the Toa Dobun Kai, a society for the promotion of Chinese cultural enterprises, of which Premier Prince Fumimaro Konoye is Chairman.

Japanese Maintain a War Front in North China 200 Miles Long

Severe fighting developed Sept 7 about 30 miles west of Peiping, where Japanese troops, aided by aircraft and heavy artillery, fiercely attacked a Chinese division entrenched on the summits of mountains.

The Chinese claim to have successfully counter-attacked in the night and to have driven back the Japanese with heavy losses. The Japanese admit suffering heavy casualties. Many wounded have been brought into Peiping by train.

The war front in North China now stretches 200 miles from Machang, south of Tientsin, to as far as Yangkoa, in northeast Shansi, which province Japanese troops from Kalgan entered Sept 6 Chinese estimates put the total of Japanese troops in Hopei Province at about 200,000.

Japanese Make Strong Attack on Machang

Having occupied Tangkwantun, a station on the Tsinpu Railway, the Japanese launched a heavy attack upon the Chinese positions at Machang, Sept. 6. The detachment was aided by a strong artillery bombardment of the Chinese lines. This was part of a general offensive on the Tientsin-Pukow line.

President Roosevelt Says All Americans Have Been Warned to Leave China

President Roosevelt stated in Washington Sept. 6 that all Americans without exception had been warned to leave China.

Sufficient time, he added, would be given them to take advantage of the facilities for evacuation, and the Government would not be responsible for their protection if they chose to remain.

The sailing of the Dollar liner *President Wilson* from San Francisco was delayed this week by a demand made by the crew for a bonus of $250 each to cover risks of entering the Shanghai war zone. They fear the ship will be ordered to Shanghai on refugee work.

American Chamber Protests Hint of Withdrawal

The American Chamber of Commerce in Shanghai sent the following cable Sept. 7 to the State Department at Washington: "American Chamber of Commerce, Shanghai, strongly deprecates any official statement which would be interpreted as indicating a withdrawal or abandonment of American business interests in China. American prestige is seriously injured thereby." W. H. Plant, manager of the local office of the U. S. Steel Products Co. presided, at a full meeting executive committee of the Chamber at the American Club.

The attitude of the American business community in Shanghai generally is that the U. S. Government was misinformed on conditions here and that such a strong measure as evacuating all Americans from China at the present time was not warranted.

American, British and French Commanders Request Both Chinese and Japanese to Withdraw

The Commanders-in-Chief of the American, British and French naval forces Sept. 4 sent a note to the Commander-in-Chief of the Japanese Third Fleet and Chinese military authorities recommending and requesting that in order to preserve the safety of the foreign areas under their protection the Chinese and Japanese forces should be withdrawn as follows:

1.—Japanese naval forces to withdraw below Section 7 of the river.

2.—Chinese forces in Pootung to withdraw to the eastward of Pootung Road and south of Changkadu Creek.

It was understood that the Chinese Government was willing to agree to withdraw troops inland from certain positions in Pootung, provided the three Powers guarantee: 1.—That the Japanese warships withdraw to the specified point; 2.—That the Japanese do not bombard the Chinese troops during their withdrawal; 3.—that the Japanese do not take advantage of the withdrawal of the Chinese troops to land Japanese reinforcements at Pootung.

The Japanese naval command was stated to be "giving full attention" to the proposal, which was transmitted through the Consuls-General for Great Britain, France and the United States.

The Chinese military authorities Sept. 7 replied through diplomatic channels pointing out that it was the Japanese who were using the Foreign Settlement as a base for an attack on China and therefore suggested that the protesting Admirals should induce the Japanese to withdraw their forces first. The Japanese reply was not made public, but was understood to suggest the withdrawal of all Chinese troops within a radius of ten miles from Pootung.

Japanese Declare Blockade of Entire Chinese Coast—Tsingtao Is Excepted

Effective 6 p.m. Sept. 5 the entire Chinese coast from Chinwangtao in the north to Pakhoi in the south, was proclaimed closed to Chinese shipping by the commands of the Japanese Second and Third Fleets. Excepted were Tsingtao and "waters belonging to leased territories of third Powers." The prohibition applies to all Chinese shipping both Government-owned and private, but vessels of third Powers and of Japan will not be prevented "from entering into or exitting from the proscribed zone." These proclamations superseded those issued on August 25 by Vice-Admiral Kiyoshi Hasegawa, commander-in-chief of the Third Fleet, which barred Chinese maritime traffic along the coast from Shanghai to Swatow.

Exclusion of Tsingtao from the list of blockaded Chinese ports was explained Sept. 16 by the Gaimusho's spokesman by the Government's desire to maintain peaceful relations at Tsingtao. "Besides," he added, "the foreign powers concerned, including Great Britain and the United States, expressed, through their consular officials in Tsingtao, a desire for the prevention of hostilities in the Shantung city."

Japanese Wish to Save Cotton Mills

The Nanking Foreign Office interpreted the Japanese exclusion of Tsingtao from the blockade as a gesture indicating Japan did not intend to carry the war to the Shantung port, where Japan has heavy investments, particularly in cotton mills.

The Shanghai *Shun Pao* in discussing the blockade Sept. 7 recalled that the sinking of a number of American merchant vessels by German warships in the course of enforcing her blockade had been one of the immediate causes of the United States joining the World War opposing Germany.

Japanese pronouncements indicated that the Japanese Naval authorities would halt vessels indiscriminately on the score that they wished to ascertain whether the ships in question might not be Chinese vessels flying flags of other countries.

Japan may resort to "effective and suitable measures to stop all importation of arms and ammunition into China," a statement by the Japanese Government released in Shanghai last week stated. Foreign vessels, the statement added, may be inspected by Japanese naval authorities bent upon ascertaining the true nationality of such ships. A test case will be the American vessel *Wichita* which has a cargo of airplanes consigned to the Chinese Government. At last reports the airplanes were to be landed at Manila.

America and Britain Discuss Blockades in Asiatic Waters

A *Havas* message from Washington Sept. 7 intimated that negotiations are proceeding between the U. S. and Britain for the adoption of a joint policy in case Japan threatens American or British vessels in connection with the blockade of the China coast. It was reported that the two Powers had discussed the possibility of a blockade of Japan.

Dr. Chu Chia-hwa Says Ship Blockade Violates International Law

Commenting upon the Japanese proclamation of a blockade along the China Coast from Shanghai to Swatow, Dr. Chu Chia-hwa, Chairman of the Chekiang Provincial Government, branded the Japanese action as a direct violation of international law.

Japanese Try to Avoid Responsibility for Airplane Attack on British Ambassador

The Japanese Government is dillydallying over the question of responsibility for the airplane attack on the British Ambassador. They claim there is "no proof" that it was a Japanese plane. Meanwhile it was indicated that the British Ambassador to Japan would leave Tokyo unless the Japanese replied promptly acknowelgding responsibility for the attack on Sir Hughe Knatchbull-Hugessen.

The Japanese Government Sept. 7 sent an *ad interim* reply to the British protest. The main Japanese contention was that the investigations had not established the allegation that it was Japanese aircraft that attacked the British Ambassador. The Japanese Note stated that further investigations were being made. However, profound regret was expressed for the incident.

British Note "Grave Affront to Japan's Prestige," Says Leader of Japanese Conservatives

"It is totally unthinkable that the Imperial Japanese Navy should, in any circumstances, commit acts contrary to humanity," declared the Japanese Minister of the Navy, Admiral Mitsumasa Yonai, in the Diet Sept. 6 in referring to the British Note on the wounding of the British Ambassador to China. Mr. Azuma, leader of the Conservatives, described the British Note as a "grave affront to Japan's prestige" inasmuch as, he claimed, it could be interpreted as meaning that the "Japanese Army is a barbarous army, always bent on attacking non-combatants."

You Can Be Energetic Even On The Hottest Day

The secret of immunity from the effects of the heat lies in the condition of the blood. Sunshine, fresh air and reasonable exercise are nature's blood tonic, so there is nothing better than a seaside holiday to set you up.

But for men with business duties and women with household ties it is not always possible to get away, and some other means must be found to keep the blood, pure, rich and plentiful.

One of the finest tonics for purifying and enriching the blood and for supplying fresh reserves of energy and nerve strength is Dr. Williams' Pink Pills, renowned for half a century, having been originated by an M. D. of Edinburgh University, Scotland, more than fifty years ago.

This remedy contains iron in a form readily assimilated by the blood, and, as you take it day by day, your blood becomes richer in iron, thus making you stronger, healthier and capable of enjoying the full zest of life.

Do not delay if the heat is getting you down, if you are always tired, nervous, assailed by vague aches and pains, if your appetite is poor and you do not sleep well at night.

Begin a course of Dr. Williams' Pink Pills, today, they will surely do you good. Obtainable at all chemists.

Chenju Radio Station Completely Wrecked by Japanese Bombs

The main buildings of the Chenju Wireless station were completely destroyed by Japanese aerial bombardment, the headquarters of the Japanese Third Fleet announced Sept 3. The statement added that every bomb made a direct hit.

The Japanese gave two reasons for bombing the Chenju wireless station, first that it had been used to send out "wild Chinese reports" and second that the station area had been used for the purpose of Chinese military concentrations. On this latter point Geo. F. Shecklen, who has been placed in charge of operations by the Ministry of Communications, stated in an interview this week that when he was in Nanking middle of last month he was informed by the Ministry that there would be no military operations within the station area, which is surrounded by a five-foot barbed wire fence and could not be mistaken. Mr. Shecklen states that on the afternoon of Aug. 27 he visited the Chenju station in company with another American, remaining there for about an hour. They went all over the buildings and grounds photographing the damage which had been done on the occasion of the first bombardment (Aug. 19) and during their investigation found no traces of emplacements or guns, nor soldiers nor any kind of military activity. The station flew an American flag not only because of the fact that an American citizen was in charge of the station, but because the equipment, of American origin, has not yet been entirely paid for. In all three bombings were carried out at the Chenju station, namely on Aug. 19, on Sept. 1 and Sept. 3. The receiving station at Liuhang was also bombed Aug. 19. The Chenju and Liwhang station and equipment are valued in the neighborhood of seven or eight million Chinese dollars.

Bloch Lumber Plant Bombed by Japanese

The plant located on Soochow creek a short distance beyond Jessfield Park, belonging to the Bloch Manufacturing & Lumber Co., Ltd., which was founded some years ago by M. S. Bloch, who came here from Chicago, but which was recently incorporated in Hongkong with G. E. Marden as chairman of the board of directors (Mr. Bloch being also a director), was bombed and seriously damaged by Japanese air bombers who visited the area twice on Sunday, September 5. It is stated that two Chinese were were killed and another injured. A fragment of the shell struck a shop on the other side of the creek, killing two Chinese shopkeepers. The Bloch concern is engaged in the manufacture of tea containers made from Lauan wood from the Philippines. Mr. Bloch is at present in the Philippines. It is reported that the concern was recently sold to a British firm, William Anderson & Co., but this could not be confirmed.

Dollar Lumber Raft Set Afloat in Whangpoo

A raft containing approximately a million feet of lumber anchored alongside the Soochow Creek, which belonged to the Dollar Lumber Co., was reported to have become loosened from its moorings and left floating in the stream. In addition, three large rafts containing several million feet of lumber anchored on the Pootung side of the Whangpoo near the Point became loosened from their moorings and floated down the stream. The Japanese Naval authorities used the lunber in connection with their operations.

American Consulate General Gathers Data on Losses Sustained by U.S. Nationals

The American Consulate General in Shanghai is gathering information concerning losses by American citizens and corporations as the result of the present hostilities. In submitting their claims, the petitioners are requested to give evidence of American nationality, documentary evidence in support of claim and details of the measure of damages.

China Proposes to Make Appeal to League

China has decided to make a formal appeal to the League of Nations against Japanese aggression, according to an announcement by a spokesman of the Foreign Office at Nanking Sept. 6. "There is no doubt," he added, "that the present situation in the Far East arose out of Japan's aggressive activities in China, and it is believed that League members will give China their unreserved support."

Dr. Wellington Koo Will Head Chinese Delegation at League

The National Government has decided to appoint Dr. Wellington V. K. Koo, Ambassador to Paris, as chief delegate to the forthcoming session of the Assembly of the League of Nations. Besides submitting a written statement, Dr. Koo will also address the Assembly on the Sino-Japonese question.

U.S. Court for China Continues to Function

The U.S. Department of State in Washington Sept. 1 advised the Department of Justice to defer sending a cable to Judge Milton J. Helmick authorizing him to suspend the United States Court for Shanghai. Judge Helmick had cabled that it was essential for the Court to continue functioning.

Noted Japanese Strategist and Other Officers Killed at Woosung

Major Masao Shimosaka, regarded as Japan's leading authority on landing strategy, was among those who were killed in the course of landing operations at Woosung, according to an article in the *Osaka Mainichi* on August 26. He is survived by his widow and two sons.

Another officer killed at Woosung was Capt. Kazuichi Horikane. He is survived by his 76-year old mother, his wife and two sons and a daughter.

In addition to the officers killed in the early landing operations the Navy Department reported First Lieut. Kazuo Yoshida, flying officer missing since he took part in an air raid on a Chinese position near Shanghai on Aug. 25.

KILLED AT WOOSUNG

Left—**Lieut. Kazuo Yoshida,** *Right*—**Commander Gaiji Kurihara.**

Commander Gaiji Kurihara, hero of the Sino-Japanese war at Shanghai in 1932, was reported missing on Aug. 15, together with Pilot Tokiji Nakayama. They were flying in the vicinity of the Nankow Pass on the Northern front. Commander Kurihara was credited with killing 16 Chinese soldiers with his sword in the fighting at Shanghai in 1932; the account sent back to the War Office said he charged into a Chinese trench and machinegun stronghold and killed all the Chinese soldiers in the redoubt.

The *Mainichi* also reported that a number of members of the Navy's "white-banded" daredevil corps, distinguished for hand-to-hand fighting, were sent home badly wounded on the N. Y. K. liner *An-yo Maru* on Aug. 25. They were also wounded in landing operations. No complete returns of Japanese dead and wounded have been issued, but a German paper reported that some 1,500 dead and wounded had been sent back to Japan prior to Sept. 1.

Consul General Okamoto was quoted by the *Tokyo Chugai* Aug. 27 as stating that the casualties among Japanese residents in Shanghai up that date were 160, of which 25 were deaths, 26 seriously wounded and 109 slightly wounded.

T. V. Soong Says Not All of Liberty Loan Proceeds will Be Used for Defence

T. V. Soong, Chairman of the Liberty Loan Committee, declared in Shanghai last week that he had been wrongly quoted as saying that the entire proceeds of the Liberty Loan would be devoted to national defence. "This is an error," he stated. "The purpose of the Loan is to meet the general needs of the Government and is in that way no different from previous Government issues."

"In this grave national emergency," he continued, "every citizen of China is anxious to do his share for the country. The Liberty Loan for $500,000,000 that has just been issued offers an opprtunity for everyone to make his sacrifice. "The Loan is issued at par, and the rate of interest offered is 4% which is much lower than that for previous Government loans."

Chinese Liberty Bonds Rapidly Taken Up

The total reported subscriptions for Liberty Bonds up to Sept. 5 amounted to slightly over $60,000,000.

The Farmers' Bank of China, the youngest of four government banking institutions, Sept. 6 announced its decision to subscribe to $4,000,000 worth of the Liberty Bonds.

It is estimated that $3,500,000 of the Liberty Bonds will be subscribed by people in Kweichow Province.

Chinese residents in the United States have contributed $350,000 to China's war chest.

"Circulation Notes" to Supplement Legal Tender Suggested

The issue of "circulation notes" with commodities and other forms of property instead of specie as reserve in order to meet the increasing demand for currency was suggested by the Huchow Residents' Association in a recent petition to the Ministry of Finance. To be circulated only in China, these notes, the Association contended, would have the effect of supplementing the legal tender notes. The four government banks, it continued, could be entrusted with their issue.

Men and Events

Thirty-one Chinese seamen, comprising the entire crew of the Japanese freighter *China Exporter*, deserted in Port Angeles, Wash., Sept. 1.

The Chinese Charge d'Affaires in Vienna, Tung Tehchie, was badly hurt when his car came into collision with at ram in the Austrian capital Sept. 4.

The China *Daily Herald*, ostensibly American-owned and managed daily Russian-English newspaper, which suspended circulation a fortnight ago, has resumed publication.

The French liner *Sphinx* sailed from Shanghai this week with about 550 passengers on board, most of them refugee women and children bound for the French Indo-China port of Saigon or France.

Broadcasting over the Japanese-owned radio station XQHA, 580 kilocycles, was resumed last week. News bulletins in English are put on the air daily at one o'clock and at 7.30 o'clock in the evening.

The French Concession has taken steps to curb the exuberance of Chinese newsboys. They are forbidden to yell out anything except the titles of the papers they sell. Their number is limited to 220.

The Shanghai Municipal Council has advised against the opening of schools in the Foreign Settlement. No decision has so far been reached to open the American School, located in the French Concession.

The Lafayette Cinema in the French Concession this week reopened for business at the usual prices. It is one of the cheaper class establishments, largely patronized by the French military and naval services.

Prof. Harold D. Lasswell of the Department of Political Science of the University of Chicago, who arrived in Shanghai several weeks ago on a tour of investigation, is the guest of Judge and Mrs. Milton J. Helmick.

A rental reduction movement has been started by the local Chinese on the ground that the undeclared war here has thrown numerous people out of work, which condition makes it impossible for them to pay rentals.

Democracy, a journal recently established at Peiping under joint Chinese and American auspices, announced last week that owing to the political situation in North China, publication and distribution of the journal have become impossible.

On receipt of official reports that the cholera epidemic in Hongkong had resulted in 802 cases and 427 deaths up to August 24, Washington officials Sept. 1 ordered Dr. H. F. Smith, of the United States Public Health department, to proceed from Manila to Hongkong.

The British cruiser *Dorsetshire*, which returned to Devonport from Singapore in February for refitting, has been recommissioned with a Devonport crew, as an independent command, for further service on the China Station. The vessel has a tonnage of 9,900 and carries eight 8-inch guns.

F. T. Durdin, who has been managing editor of *The China Press* for several years, has resigned to accept the position of Nanking Correspondent for the *New York Times*. J. D. Hammond, city editor of *The China Press*, has been promoted to the position of Managing Editor.

Three batches of war refugees, totalling 5,400 people, were evacuated from Shanghai by the Shanghai Relief Commission Sept. 5, to Soochow, Wusih, and Kashing respectively. The Commission maintains a total of 106 refugee camps throughout Shanghai, with an aggregate number of 37,260 refugees.

Baron Jules Guillaume, who was recently promoted to become the first Belgian Ambassador to China, presented his credentials to Lin Sen, Chairman of the National Government, at Nanking Sept. 6. The Ambassador was honored at a tea party given by Dr. Wang Chung-hui, Minister of Foreign Affairs.

The Rev. Pius Moore, S. J., Founder of Gonzaga College, has been recalled to California. Father Pius Moore, has been a prominent figure for the past nine years amongst the English speaking Fathers in Shanghai. He came to China in September, 1928, in the first group of American Jesuits to come to the China mission.

The Shanghai Dockyards (New Engineering Works) reported end of last week that its sheerlegs had been seized by the Japanese naval authorities and used by them without the Company's consent within the harbor limits to unload Japanese transports. The Japanese left the sheerlegs, after using them, lying in the Whangpoo near the O. S. K. wharf.

The efforts of the New Life Movement Association discouraging the attendance of Chinese at cabarets are bearing fruit and as a result cabaret managers report that there are practically no Chinese customers. The Majestic Dance Hall, 254 Bubbling Well Road, and the Sun Dance Hall, Yu Ya Ching Road, which re-opened on August 28 and 29 respectively, again closed down latter part of last week, owing to lack of business.

The *Manila Herald* of Aug. 7 stated that a big shipment of arms and ammunitions for the Philippine Army, purchased by the Commonwealth from the United States through Cipriano Unson, insular purchasing agent, was due to arrive in Manila during August. Four hundred thousand bayonets, 150,000 rifles, machine guns and pieces of artillery are to be delivered to the Philippine Army. The arms were stated to have been bought at a reasonable price by the Commonwealth.

To Keep Cheery And Alert Despite The Heat.

You have to continue living, working and meeting life's daily problems, no matter how high the mercury climbs. Whether you do so with cheerful alacrity, or, in a miserable, inefficient spirit, depends largely on the state of your liver, your stomach and your intestinal tract.

Constipation and liverishness poison the system, upset digestion, rob you of appetite, energy and happiness. Pinkettes, the dainty little laxatives, dispel constipation, bilious attacks, sick headaches in a single night. They stimulate the liver and digestive organs, revive appetite, energy and cheerfulness. In brief,

PINKETTES
Keep You Well

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Phone : 34360

SOCONY FOR ECONOMY GASOLINE

A STANDARD-VACUUM PRODUCT

The Jardine steamer *Tingsang* from Chefoo and other northern ports arrived in Shanghai Sept. 7, the first boat from the north since the outbreak of the Shanghai hostilities.

Members of the Seventh Day Adventist Mission who visited their premises in the Yangtszepoo area this week reported that the compound is being used as a machine gun outpost by the Japanese, with the American flags still flying from three of the buildings. The golf course near the Shanghai University is being used by the Japanese as an airplane landing field

The French sloop *Dumont d'Urville* arrived in Shanghai last Sunday from Tsingtao, with the French Ambassador to China, Paul E. Naggiar on board. He immediately called on Sir Hughe Knatchbull-Hugessen, British Ambassador, who has been making steady progress in the Country Hospital from injuries inflicted by machine gun bullets from a Japanese plane on Aug. 26.

Julius Kleffel, German, former manager of the defunct American-Oriental Bank, sentenced more than one year ago to six months' imprisonment by the First Special District Court for breach of confidence in connection with the affairs of the bank will not have to serve a prison sentence. The Nanking Supreme Court last week affirmed the sentence, but ordered its execution to be suspended.

Mrs. George F. Shecklen of Shanghai, who was a passenger, wirelessed a graphic account of the recent bombing of the *President Hoover* to the Shanghai office of the *United Press*. The damage to the *Hoover* is estimated at half a million dollars. The boat duly arrived at Kobe Sept. 11 and sailed thence for San Francisco where she is to go into drydock.

H. S. Smith of the American Church Mission at Changshu, located about 40 miles north of Soochow, arrived in Shanghai last week. He stated that as a result of recent Japanese air raids the city, with a normal population of 100,000, is practically deserted. The American Mission building was not hit, although bombs dropped all around it. The American flag was apparently respected by the Japanese bombers, he said. Mr. Smith expressed the opinion that every missionary should be ordered out of the endangered areas.

H. J. Timperley, China correspondent of the *Manchester Guardian* and Miss Elizabeth Chambers, daughter of Mr. and Mrs. C. L. Chambers of Des Moines, and connected with the Ministry of Railways in Nanking, were married at the British Consulate in Nanking Aug. 28. Mr. and Mrs. J. J. Taylor attended in the capacity of witnesses and Douglas Jenkins, Jr., Third Secretary of the American Embassy, represented the U.S. Consulate-General, Shanghai. In the evening a dinner was given in honor of Mr. and Mrs. Timperley at the International Club by the Minister of Railways, Chang Kai-ngau.

China Will Recover Her Lost Territories

BY C. Y. W. MENG

(*Contributed to the China Information Service*)

Since September 18, 1931, the Chinese have lost territory to the invaders. But today, we find a Sino-Japanese War going on practically on "all fronts" from north of Chahar down to Shanghai. The Chinese fight because the 460,000,000 citizens of this country want to recover their "lost territories." The Japanese wage this war to prevent the imminent and complete collapse of their "Manchurian adventure."

Throughout the whole of Sino-Japanese history, there has not been a single time when Japan has treated China as a friendly neighbor. On the contrary, the Island Empire has always regarded China as her "traditional enemy," and has oppressed China to the depth of humiliation. By the Treaty of Shimonoseki of 1895, Japan subjected China to the depths of humiliation. Japanese aggression also led to the outbreak of the Boxer Rebellion five years later. By the 21 Demands of 1915, Japan intended to "devour" China entirely.

During the intervening years, the Japanese have occupied no less than one-fourth of the Chinese territory—and they still want more!

But Japanese oppression and aggression cannot subdue and conquer China. On the contrary, there are many signs of stronger Chinese reactions and more stubborn resistance against the Japanese oppression and aggression. As pointed out by Dr. Hu Shih, in his letter to the Japanese Nation, published in *Economic Monthly* (Japanese) sometime in December, 1935 (see the *China Weekly Review*, Vol. 75, Number 2.),

> ". . . It is true that this order is effective in suppressing all anti-Japanese opinions and actions, but the law and order of a government cannot extend its control over the thoughts and feelings of the people . . . Those anti-Japanese feelings and thoughts, those resentful feelings and thoughts in the minds of the Chinese people, have become all the keener and more intensified because they can find no outlet . . . Cannot the Japanese militarists understand that this is a usual phenomenon of human nature? . . . "

The war which China is fighting at present is *more than* a war of resistance against aggression, as used to be believed. It is a war between the oppressed and the oppressor, right and might; international justice and militarism; and between the preservation of world peace and the destruction of world peace. It is a war in which China wants to liberate herself from Japanese imperialism *once for all*!

The Baby In Summer-Time.

Many infants suffer health irregularities during the summer months and especially is this so with foreign babies in the East. Not only is the climate trying but left to the care of native servants, children may be allowed to eat food of a doubtful nature, or get overheated at play with consequent chill.

When your child shows signs of being unwell a dose of Baby's Own Tablets, promptly given, will often be all that is needed to correct the trouble and restore happy well-being.

Baby's Own Tablets have a mild laxative action, they cleanse the stomach and bowels, aid digestion dispel constipation, check vomiting and 'wind', correct colic and diarrhoea, relieve colds, croup and feverishness, and expel worms.

At teething time they help to settle the stomach, ease the inflammation in the gums, and induce sound restful sleep. Safe and dependable, being the prescription of a medical child specialist, their pleasant taste makes the tablets a favorite medicine with children. Obtainable at all chemists.

CUSTOMS NOTIFICATION NO. 1605.

The public is hereby notified that, in accordance with Government instructions, the export abroad and to Manchuria and Dairen of the following articles is temporarily prohibited.

Beans and Peas of all kinds,
Buckwheat,
Kaoliang (Sorghum),
Maize,
Millet, and
Cereals, n. o. p. f.

CHU CHANG-NIEN,
Superintendent of Customs.
L. H. LAWFORD,
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 3rd September 1937.

CUSTOMS NOTIFICATION NO. 1608.

The public is hereby notified that in accordance with Government instructions the export abroad and to Manchuria and Dairen of the following articles is prohibited:—

Bamboo, 25 mm. in diameter or over.
Hemp.
Ramie.

CHU CHANG-NIEN,
Superintendent of Customs.
L. H. LAWFORD,
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 6th September 1937.

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CUSTOMS NOTIFICATION No. 1606.

The public is hereby notified that, in accordance with the provisional regulations promulgated by the Government to control the importation from abroad of weighing and measuring instruments (度量衡器具輸入取締暫行規則), such instruments will be forbidden importation from abroad unless they have been inspected and found up to standard by one of the local Weights and Measures Bureaux.

From the 1st October 1937 the following procedure will be enforced, viz:

(*a*) A merchant wishing to import weighing and measuring instruments from abroad will, as a first step, present all the relevant invoices, contracts, etc., to the Bureau, who will thereupon issue a Provisional Permit to Import. The merchant will then present this provisional permit to the Customs, together with an additional copy of his Import Application, and apply for importation in the usual manner. Applications to import, if not supported by the above provisional permit, will not be accepted by the Customs. If all is in order, the Customs will levy duty, allow the merchant to take delivery of his cargo, endorse the additional Import Application handed in by the merchant, and transmit it to the Bureau.

(*b*) It will then be the duty of the merchant to transport his cargo to the Bureau for inspection, and the Bureau will take any steps they think appropriate to ensure that this is done (*e. g.* prior to issuing the provisional permit, the Bureau may require the merchant to pay a deposit or execute some form of guarantee).

(c) If the instruments imported are passed by the Bureau, the deposit will be returned to the merchant (or the bond, if such has been demanded, will be cancelled); but if any, or all, of the goods are not passed by the Bureau, the merchant will be directed to bring them back to the Customs and apply for re-exportation abroad, the deposit or bond in the meantime still being retained by the Bureau. At the same time, in order to acquaint the Customs with particulars of the instruments which have been rejected, the Bureau will return to the Customs the additional copy of the original Import Application which was formerly forwarded to them by the Customs, and will indicate on this Application which of the instruments are to be re-exported. The Customs will then permit re-exportation abroad, granting the merchant a drawback for the import duty, etc., originally paid, and will again return the additional Import Application to the Bureau with an endorsement to the effect that the rejected goods have actually been re-exported, whereupon the Bureau will refund the deposit previously retained or cancel the guarantee, as the case may be.

It is to be further noted that the direct importation from abroad of weighing and measuring instruments at Soochow or Wuhu will be prohibited and that merchants wishing to effect such importations at the above two ports are to apply in the first instance at Shanghai.

CHU CHANG-NIEN,
Superintendent of Customs.

L. H. LAWFORD,
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 6th September 1937.

CUSTOMS NOTIFICATION No. 1607.

With reference to Customs Notification No. 1557: concerning the regulations governing the issue by the Chün-chêng Pu of permits to cover domestic movements of old or scrap copper (or brass), lead, iron and steel;

the public is hereby notified that in accordance with Government instructions all coastwise shipments of the above metals, regardless of quantity, are prohibited even if they are covered by the above-mentioned permits.

CHU CHANG-NIEN,
Superintendent of Customs.

L. H. LAWFORD,
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 6th September 1937.

CUSTOMS NOTIFICATION No. 1609.

With reference to Customs Notifications Nos. 1310, 1392 and 1445:

relative to the preferential import duty treatment accorded to pure linen piece goods whereby such goods may be passed according to Import Tariff heading No. 104, paying duty at 7½ per cent *ad valorem*, if satisfactory proof (in the form of a bond executed by the importer on the prescribed form) can be produced at the time of import that they are to be used solely for embroidering and similar hand manufacture;

the public is hereby notified that in accordance with Government instructions the same privileged duty treatment is extended to flax and cotton mixture piece goods which are ordinarily classified under Import Tariff heading No. 105, if they are imported solely for embroidering or similar hand manufacture, provided the flax content is not less than 40 per cent of the total weight.

CHU CHANG-NIEN,
Superintendent of Customs.

L. H. LAWFORD,
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 7th September 1937.

Chinese Railways

Nanking-Shanghai and Shanghai-Hangchow-Ningpo Lines

From Shanghai to Nanking: 311.04 Kilometers

From Shanghai to Hangchow: 189.57 Kilometers

The Nanking-Shanghai Line extends from Shanghai, one of the greatest seaports in the world, to Nanking, the seat of the Nationalist Government of China. Short as it is when compared with the other trunk Lines in China, it serves a rich and densely populated district of preponderant importance, politically, as well as commercially and industrially. The whole Line is dotted over with points of known scenic beauty too numerous to be all mentioned here. Tourists and travellers should utilize the train service of this Line at least to visit Soochow, known as the "Garden City of the Orient," Wusih, the picturesque city on Lake Tai-hu, Chinkiang, the "Gate of the Yangtze River," and Nanking, a city rich in historic remains with the new grand Mausoleum of modern architecture for Dr. Sun Yat Sen, Founder of the Chinese Republic.

The Shanghai-Hangchow-Ningpo Line runs southwestward from Shanghai through a tract of beautiful places. At Lunghwa one will see the famous Pagoda with a long history attached to it; at Sungkiang, the observatory of the French Fathers at the summit of Sha Shan and the grave of General Frederick Ward; at Kashing, the South Lake and the Three Pagodas situated about two miles from the station; and at Hangchow, the present terminus of the Line from Shanghai, the renowned West Lake which called forth highest praise from Marco Polo, with such picturesque surroundings that it has been well called the "Switzerland of China." Tourists! A visit to Hangchow by the comfortable trains of this Line will give you the utmost satisfaction of travel and untold pleasure of sight-seeing.

For further information apply to the Traffic Manager of the two Lines at Shanghai North Station.

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